
Health Services and Development Agency

Communique

**A MONTHLY PULICATION OF THE
HEALTH SERVICES AND DEVELOPMENT AGENCY**

**Andrew Jackson State Office Building
500 Deaderick Street, Suite 850
Nashville, TN 37243
615.741.2364**

**APRIL
2006**

For Meeting verification/change or agenda information, please call
the Agency Office or check our website at www.tn.gov/hsda

HEALTH SERVICES & DEVELOPMENT AGENCY

Chair..... Gene Caldwell, M.D.
Vice-Chair Bryan Atchley
Executive Director Melanie Hill
General Counsel Reid A. Brogden

Department of Health, Division of Health Statistics,
Office of Policy, Planning and Assessment
615.741.1954

Department of Mental Health and Developmental Disabilities,
Office of Policy Planning
615.532.6500

Office Hours are 8:00 a.m. to 4:30 p.m., Central Time, Monday through Friday

ALL RECORDS ARE PUBLIC INFORMATION

CALENDAR

The Health Services and Development Agency office will be closed on the following days in 2006:

Sunday, January 1 – New Year's Day
Monday, January 2 – New Year's Day
"Observed"

Monday, January 16 – Martin Luther King Day
Monday, February 20 – President's Day
Friday, April 14 – Good Friday
Monday, May 29 – Memorial Day
Tuesday, July 4 – Independence Day

Monday, September 4 – Labor Day
Monday, October 9 – Columbus Day
"Not Observed"

Friday, November 10 – Veteran's Day "Observed"
Thursday, November 23 – Thanksgiving Day
Friday, November 24 – Thanksgiving Holiday
Monday, December 25 – Christmas Day

REVIEW CYCLE

2006 Cycle	Publication Dates- Letter of Intent	Application	HDSA Meeting	End of Appeal Period
January	12/01/05-12/10/05	5 days after publication	03/22/06	15 days after meeting date
February	01/01/06-01/10/06	"	04/26/06	"
March	02/01/06-02/10/06	"	05/24/06	"
April	03/01/06-03/10/06	"	06/28/06	"
May	04/01/06-04/10/06	"	07/26/06	"
June	05/01/06-05/10/06	"	08/23/06	"
July	06/01/06-06/10/06	"	09/27/06	"
August	07/01/06-07/10/06	"	10/25/06	"
September	08/01/06-08/10/06	"	11/15/06	"
October	09/01/06-09/10/06	"	12/20/06	"
November	10/01/06-10/10/06	"	01/24/07	"
December	11/01/06-11/10/06	"	02/28/07	"

In the event that the last appropriate filing date falls on a Saturday, Sunday, or legal holiday, such filing should occur on the *preceding* business day.

STATE OF TENNESSEE POLICY OF NON-DISCRIMINATION

PURSUANT TO THE STATE OF TENNESSEE'S POLICY OF NON-DISCRIMINATION, THE HEALTH SERVICES AND DEVELOPMENT AGENCY DOES NOT DISCRIMINATE ON THE BASIS OF RACE, SEX, RELIGION, COLOR, NATIONAL OR ETHNIC ORIGIN, AGE, DISABILITY OR MILITARY SERVICE IN ITS POLICIES OR IN THE ADMISSION OR ACCESS TO, OR TREATMENT OR EMPLOYMENT IN, ITS PROGRAMS, SERVICES OR ACTIVITIES.

EQUAL EMPLOYMENT OPPORTUNITY/AFFIRMATIVE ACTION INQUIRIES OR COMPLAINTS SHOULD BE DIRECTED TO THE HEALTH SERVICES AND DEVELOPMENT AGENCY EEO/AA COORDINATOR OR OFFICER, HEALTH SERVICES AND DEVELOPMENT AGENCY, 500 DEADERICK STREET, SUITE 850, NASHVILLE, TN 37243. TELEPHONE No. 615/741-2364. ADA INQUIRIES OR COMPLAINTS SHOULD BE DIRECTED TO THE HEALTH SERVICES AND DEVELOPMENT AGENCY'S ADA COORDINATOR, REID BROGDEN, HEALTH SERVICES AND DEVELOPMENT AGENCY, 500 DEADERICK STREET, SUITE 850, NASHVILLE, TN 37243. TELEPHONE NO. 615/741-2364.

HEALTH SERVICES AND DEVELOPMENT AGENCY – COMMUNIQUE

APRIL 2006

PAGE – 1 –

HEALTH SERVICES AND DEVELOPMENT AGENCY MEETINGS

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The Health Services and Development Agency meeting for April 26, 2006
will be held at:

Davy Crockett Tower
500 James Robertson Parkway
Conference Room 160 – 1st Floor
Nashville, TN
8:30 a.m. CDT

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The Health Services and Development Agency meeting for May 24, 2006
will be held at:

Davy Crockett Tower
500 James Robertson Parkway
Conference Room 160 – 1st Floor
Nashville, TN
8:30 a.m. CDT

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The Health Services and Development Agency meeting for June 28, 2006
will be held at:

Legislative Plaza
Room 30
Sixth Avenue North & Union Street
Nashville, TN
8:30 a.m. CDT

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* Meeting locations are subject to change

** All meetings of the Health Services and Development Agency are posted on the Agency's
website at www.tn.gov/hsda

EXECUTIVE DIRECTOR'S ANNOUNCEMENTS:

PLEASE NOTE:

In order that the Agency members may have sufficient time to review the meeting packet, please submit all support, rebuttal and comments for matters on the Agency's agenda no later than noon (Central Time) on the thirteenth day before the meeting at which that matter will be heard. The parties are encouraged to provide 22 copies. In accordance with T.C.A., Section 68-11-1609(g)(1), any health care institution wishing to oppose a Certificate of Need application must file a written objection with the Agency and serve a copy on the applicant no later than fifteen days before the agency meeting at which time the application is originally scheduled.



RESULTS OF APPLICATIONS HEARD AT THE MARCH MEETING

Dyersburg Regional Medical Center
400 East Tickle Street
Dyersburg (Dyer County), TN 38024
CN0509-083
Contact Person: Coleman Foss, CEO
Phone No. 731-287-2400

DEFERRED FROM THE FEBRUARY MEETING

DEFERRED TO THE JUNE MEETING

The establishment of a cardiac catheterization laboratory to provide cardiac diagnostic services in newly renovated space at the hospital. There are no other new services being initiated that require a Certificate of Need.
\$ 2,972,453.00

Caris Healthcare
1101 Kermit Drive, Suite 501
Nashville (Davidson County), TN 37217
CN0511-103
Contact Person: Bruce K. Duncan, Assistant Vice President
Phone No. 615-890-2020

DEFERRED FROM THE FEBRUARY MEETING

APPROVED

The relocation of the parent office from 701 West 7th Street, Suite C, Columbia (Maury County), TN to The Oaks Complex at 1101 Kermit Drive, Suite 501, Nashville (Davidson County), TN. The service area includes: Bedford, Cheatham, Davidson, Dickson, Franklin, Giles, Hardin, Hickman, Houston, Humphreys, Lawrence, Lewis, Lincoln, Marshall, Maury, Montgomery, Moore, Perry, Rutherford, Stewart, Wayne and Williamson counties. No change to the existing service area is proposed.

\$ 57,938.00

Assertive Medical, Inc.
519 W. Main Street
Hohenwald (Lewis County), TN 38462
CN0511-100
Contact Person: E. Graham Baker, Jr., Esq.
Phone No. 615-383-3332

DENIED

The establishment of a home health organization to provide a full range of home health services, including but not limited to skilled nursing and private duty nursing services. The proposed service area will include: Lewis, Perry, Hickman, Lawrence, Maury, Marshall, Bedford, Moore, Lincoln, Giles and Wayne counties. The parent office will be located at 519 W. Main Street, Hohenwald (Lewis County), TN 38462.

\$ 272,700.00

Assertive Medical, Inc.
597 Shelbyville Road
McMinnville (Warren County), TN 37110
CN0512-108
Contact Person: E. Graham Baker, Jr., Esq.
Phone No. 615-383-3332

WITHDRAWN

The establishment of a home health organization to provide a full range of home health services, including but not limited to skilled nursing and private duty nursing services. The proposed service area will include: Warren, Cannon, Coffee, Franklin, Grundy, Marion, Sequatchie, Hamilton, Van Buren, White, Cumberland, Putnam, Jackson, Smith and DeKalb counties. The parent office will be located at 597 Shelbyville Road, McMinnville (Warren County), TN 37110.

\$ 353,000.00

Rishi K. Saxena MDPC
1127 Dow Street
Murfreesboro (Rutherford County), TN 37130
CN0512-109
Contact Person: Rishi K. Saxena, MD
Phone No. 615-896-4800

APPROVED

Acquisition of a computerized tomography (CT) 64 slice scanner for coronary angiography limited to patients of the physician's practice.

\$ 2,022,513.00

RESULTS OF APPLICATIONS HEARD AT THE MARCH MEETING

White House Skilled Housing
471 Sage Road
White House (Robertson County), TN 37188
CN0511-104
Contact Person: E. Graham Baker, Jr., Esq.
Phone No. 615-383-3332
APPROVED

The establishment of two (2) twelve (12) bed nursing homes to be located on approximately four (4) acres of a fifty-two (52) acre site currently under development. These nursing homes will provide skilled nursing services in the proposed service area of Robertson and Sumner counties. The total twenty-four (24) Medicaid-certified beds for the two (2) nursing homes will not be requested from the annual statutory pool of 125 skilled nursing home beds; rather, these beds will be deleted from an approved but unimplemented Certificate of Need (CN9409-062A), for a 140 bed nursing home owned by White House Health Care, Inc., to be located on Wilkinson Lane, White House, Tennessee. The "approved" nursing home will decrease its bed capacity from 140 to 116 beds, and the two proposed 12 bed nursing homes will operate under the same license as the approved but not implemented nursing home. All three (3) facilities totaling 140 beds (116+12+12) will operate under one (1) license by the Tennessee Department of Health.
\$ 3,157,087.50

GENERAL COUNSEL'S REPORT

White House Health Care, Inc.
White House (Robertson County), TN
CN9409-062A
APPROVED

The request for modification is for the construction of five (5) twelve (12)-bed facilities instead of a single 140 bed facility. The project cost would remain within the \$6.42 Million amount for the previously modified Certificate of Need. This request is contingent upon the approval of the two (2) twelve (12)-bed facilities that are the subject of Item F on this agenda. If this item and Item F on the agenda are approved, the applicant will surrender the remaining fifty-six (56) beds originally approved for this site. This request also includes the extension of the expiration date from December 31, 2006 to December 31, 2007.

The original Certificate of Need was approved on December 14, 1994 for the construction and operation of a one hundred forty (140) bed intermediate and skilled care nursing facility featuring a twenty-four (24) bed Alzheimer's special care unit, a twenty-four (24) skilled nursing facility rehabilitation unit, and a ninety-two (92) bed unit dually certified for both Medicare and Medicaid. The original expiration date of February 1, 1997 was extended to December 12, 2004 due to dismissal of a contested case. On May 26, 2004 the HSDA granted an extension of the December 12, 2004 expiration date to December 12, 2005 and cost over-run from \$5,100,000 to \$6,420,000. On September 22, 2004 the Agency approved an additional extension of the expiration date from December 12, 2005 to December 31, 2006

Cape Surgery Center,
Dyersburg (Dyer County), TN
CN0402-011A
No Action Taken

- i. Riverside Surgery Center, LLC's request that the Agency authorize counsel to initiate a contested case Proceeding to revoke Certificate of Need.
- ii. Riverside Surgery Center, LLC's Petition for Declaratory Order.

APPLICATIONS TO BE HEARD AT THE APRIL MEETING

*Tennessee Endoscopy Center
1710 East Lamar Alexander Parkway
Maryville (Blount County), TN 37804
CN0602-009
Contact Person: John L. Wellborn, Consultant
Phone No. 615-665-2022

Consent Calendar

The relocation of the approved but unimplemented Certificate of Need (CN0507-056A) from 602 Smithview Drive, Maryville (Blount County), TN 37803 to 1710 East Lamar Alexander Parkway, Maryville (Blount County), TN 37804. The project also includes the expansion from three (3) to five (5) operating/procedure rooms and project cost increase.
\$ 4,520,293.00

Americare Home Health Agency, Inc.
1444 East Shelby Drive
Memphis (Shelby County), TN 38116
CN0511-096
Contact Person: Clara T. Reed, R.N., CEO
Phone No. 662-247-1254

The addition of the following counties of Crockett, Dyer, Fayette, Gibson, Hardeman, Haywood, Lauderdale and Madison to the existing home health agency's service area of Tipton and Shelby counties. The parent agency will be located at 1444 East Shelby Drive, Memphis (Shelby County), TN 38116.
\$ 3,000.00

Nashville Orthopaedic Specialists, PC
356 24th Avenue North
Nashville (Davidson County), TN 37203
CN0512-110
Contact Person: John L. Wellborn, Consultant
Phone No. 615-665-2022

The acquisition of an extremities magnetic resonance imaging (MRI) unit and initiation of MRI serves for patients of the practice.
\$ 863,524.00

Alliance Home Care of Tennessee, Inc.
209 10th Avenue South
Nashville (Davidson County), TN 37203
CN0601-001
Contact Person: Jefferson H. Ockerman, Esq.
Phone No. 615-782-2302

The establishment of a home care organization to provide a full range of home health services including but not limited to private duty nursing. The service area includes the following counties: Davidson, Montgomery, Robertson, Rutherford, Sumner, Wilson and Williamson. The parent agency will be located at 209 10th Avenue South, Nashville (Davidson County), TN 37203.
\$ 75,500.00

East Tennessee Diagnostic Center, LLC
1450 Dowell Springs Boulevard
Knoxville (Knox County), TN 37909
CN0601-003
Contact Person: John B. Sylvia, Director of Planning
Phone No. 865-632-5166

The establishment of an outpatient diagnostic center (ODC), acquisition of a positron emission tomography (PET)/computerized tomography (CT) scanner and the initiation of PET services. Existing PET services at Baptist Hospital of East Tennessee will be discontinued.
\$ 3,710,936.00

White County Community Hospital
401 Sewell Road
Sparta (White County), TN 38583
CN0601-004
Contact Person: William H. West, Esq.
Phone No. 615-726-5600

The discontinuance of obstetrical services. No inpatient beds or major medical equipment are affected by this project.
\$ 25,000.00

WITHDRAWN

APPLICATIONS TO BE HEARD AT THE MAY MEETING

*Tennessee Valley Diagnostic Center
2333 McCallie Avenue
Chattanooga (Hamilton County), TN 37404
CN0603-016
Contact Person: John Wellborn, Consultant
Phone No. 615-665-2022
Consent Calendar

The establishment of an outpatient diagnostic center (ODC), and the initiation of outpatient magnetic resonance imaging (MRI) services in leased space in a new building to be constructed in front of Parkridge Medical Center. This project will replace the unimplemented Certificate of Need (CN0502-010) approved for an ODC with MRI on the Parkridge Medical Center Campus.
\$ 11,904,849.00

Henderson County Community Hospital
200 West Church Street
Lexington (Henderson County), TN 38351
CN0602-008
Contact Person: William H. West, Esq.
Phone No. 615-726-5600

The discontinuance of obstetrical services. No inpatient beds are affected.
\$ 25,000.00

Maury Regional Hospital
1224 Trotwood Avenue
Columbia (Maury County), TN 38401
CN0602-011
Contact Person: Ron Pope, Associate Administrator
Phone No. 931-381-1111, Ext. 4002

The remodeling and expansion of the West Tower by renovation of 25,490 square feet of space and the construction of 7,840 square feet of new space on the first floor of the hospital. The project will also include the expansion of the emergency department, a laboratory support area, an inpatient discharge space and shelled space.
\$ 11,573,274.00

Monroe Carell Jr. Children's Hospital at Vanderbilt
2200 Children's Way
Nashville (Davidson County), TN 37232
CN0602-005
Contact Person: Ronald W. Hill, Vice President, Strgt. Dev.
Phone No. 615-936-6012

The acquisition of a Philips Achieva Nova Dual 1.5 Tesla magnetic resonance imaging (MRI) system to be located in the Radiology Department of the Children's Hospital. The MRI system is used in the diagnosis of clinical conditions.
\$ 4,153,175.00

StoneCrest Medical Center
200 StoneCrest Boulevard
Smyrna (Rutherford County), TN 37167
CN0602-013
Contact Person: John L. Wellborn, Consultant
Phone No. 615-665-2022

The expansion of the Surgical Department. This project will add two (2) finished operating rooms (ORs) and two (2) shelled ORs to the current four (4) ORs. The project will also include the expansion of the recovery room and other surgical support space. This project does not affect the bed complement of the hospital.
\$ 8,627,719.00

The West Clinic, P.C.
100 North Humphreys Boulevard
Memphis (Shelby County), TN 38120
CN0602-012
Contact Person: Edwin W. Day, Consultant
Phone No. 615-952-2297

The acquisition of a linear accelerator and initiation of radiation therapy services.
\$ 5,597,342.00

Vanderbilt University Hospital
1211 22nd Avenue South
Nashville (Davidson County), TN 37232
CN0602-006
Contact Person: Ronald W. Hill, Vice President,
Phone No. 615-936-6012

The acquisition of a Philips Allura FD 20/1/0 Bi-Plane angiography machine for use in performing neuroendovascular procedures. The equipment will be located in the Radiology Department of the main hospital.
\$ 3,378,691.00

APPLICATIONS TO BE HEARD AT THE JUNE MEETING

Wellmont Holston Valley Medical Center
130 West Ravine Street
Kingsport (Sullivan County), TN 37662
CN0602-010
Contact Person: Byron Trauger, Esq.
Phone No. 615-256-8585

The renovation of 89,500 square feet of existing space, and construction of 212,431 square feet of new space. Major services affected include emergency, surgery, critical care, pediatrics, OB/Gyn and support areas. No additional beds, services or major equipment will be included.
\$ 94,430,686.00

Bedford County Medical Center
Intersection of Airport Business Park Rd and US Hwy 231
Shelbyville (Bedford County), TN 37160
CN0602-014
Contact Person: William H. West, Esq.
Phone No. 615-726-5600

The replacement and relocation of an existing hospital from 845 Union Street, Shelbyville (Bedford County), TN to the intersection of Airport Business Park Road, and US Hwy 231, Shelbyville (Bedford County), TN. Forty-four (44) beds will be delicensed, decreasing the licensed beds from one hundred four (104) to sixty (60) beds. This project also includes the acquisition of a replacement magnetic resonance imaging unit.
\$ 35,634,881.00

Court Manor Nursing Center
1200 block of North 2nd Street So and North 7th St
Memphis (Shelby County), TN 38105
CN0603-017
Contact Person: Jerry W. Taylor, Esq.
Phone No. 615-726-1200

The relocation and replacement of the nursing home from 1414 Court Street, Memphis (Shelby County), TN to an unaddressed, undeveloped site in the 1200 block of North 2nd Street South & North 7th Street in Memphis (Shelby County), TN. The project will include an additional twenty-two (22) *skilled nursing facility beds for a total of one hundred twenty (120) dually certified skilled nursing home beds.
\$ 9,153,420.96

* These beds are subject to the 125 nursing home bed pool for 2005-2006.

Select Specialty Hospital--Knoxville, Inc.
Intersection of Cherokee Trail and Old Cherokee Trail
Knoxville (Knox County), TN 37920
CN0603-018
Contact Person: E. Graham Baker, Esq.
Phone No. 615-383-3332

The relocation of twenty-five (25) long term hospital beds from Select Specialty Hospital-Knoxville, 1924 Alcoa Highway, Knoxville, TN 37920 to a new replacement facility to be constructed on a site leased from University Health Systems on the campus of University of Tennessee Medical Center at Cherokee Trail and Old Cherokee Trail, Knoxville (Knox County), TN 37920.
\$ 20,403,035.00

Gateway Medical Center
Unaddressed site on Dunlop Lane
Clarksville (Montgomery County), TN 37042
CN0603-020
Contact Person: John L. Wellborn, Consultant
Phone No. 615-665-2022

The replacement and relocation of an existing hospital from 1771 Madison Street, Clarksville (Montgomery County), TN to an unaddressed site on Dunlop Lane, Clarksville (Montgomery County), TN. The existing facility is licensed as a two hundred six (206)-bed general hospital and holds an unimplemented Certificate of Need (CN0203-020A) for the addition of sixty-four (64) beds for a total of two hundred seventy (270) beds. This project also includes the acquisition of a new magnetic resonance imaging (MRI) unit, and one cardiac catheterization laboratory. Rehabilitation beds will be increased from thirteen (13) to twenty (20).
\$ 178,975,600.00

APPLICATIONS TO BE HEARD AT THE JUNE MEETING

Burton F. Elrod, MD, PLC
2021 Church Street, Suite 200, Plaza II
Nashville (Davidson County), TN 37203
CN0603-021
Contact Person: Justin Lawson, Practice Manager
Phone No. 615-284-2000 or 500-5519

The acquisition of an extremities magnetic resonance imaging (MRI) unit and the initiation of outpatient MRI services limited to the patients of this practice. No facility license will be required for this private-practice service.
\$ 998,072.00

APPEALS OF COMMISSION/AGENCY DECISIONS

<u>FACILITY</u>	<u>DOCKET #</u>	<u>DESCRIPTION</u>	<u>Approved/ Denied</u>
The Center for ENT, Laser & Cosmetic Surgery, Shelbyville, Bedford County CN0503-022A	25.00-075626J	Appeal of Approval of CON.	6/22/05
Clarksville Surgery Center, LLC Clarksville, Montgomery County CN0506-052A	25.00-081009J	Appeal of Approval of CON	9/28/05
Helping Hands Home Assistance, LLC Knoxville, Knox County CN0509-082D	25.00-089790J	Applicant's appeal of Denial of CON	2/22/06
Mahogany Hospice Care, Inc. Nashville, Davidson County CN0408-073A	25.00-066804J	Appeal of Approval of CON	5/25/05
Maxim Healthcare Services – Nashville Nashville, Davidson County CN0506-045A	25.00-079868J	Appeal of Approval of CON	9/28/05
Select Medical Corporation d/b/a Select Specialty Hospital, Knoxville, Inc. Knoxville, Knox County CN0510-095D	25.00-087315J	Appeal of Denial of CON	1/25/06
St. Francis Hospital – Bartlett Bartlett, Shelby County CN0504-035A	25.00-078683J	Appeal of Approval of CON	8/24/05
Tennessee Sports Medicine Surgery Center Lebanon, Wilson County CN0411-103D	25.00-068456J	Applicant's appeal of Denial of CON	2/23/05

Health Services and Development Agency Members

Gene Caldwell, M.D.
Chair
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Bryan Atchley
Vice Chair
(Nursing Home)

Charles Handorf, M.D.
(Physician)

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